



JAMES A. NOYES, Director

COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

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IN REPLY PLEASE
REFER TO FILE:

PJ-2

May 1, 2003

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**SENATE BILL 1953 - HOSPITAL SEISMIC RETROFIT PROGRAM
MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
AWARD SUPPLEMENTAL AGREEMENT
CONTRACT PW-12493; C.P. 86536
SUPERVISORIAL DISTRICT 2
3 VOTES**

**JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER AND
DIRECTOR OF HEALTH SERVICES THAT YOUR BOARD:**

Award and authorize the Director of Public Works to execute Supplemental Agreement 4 to Contract PW-12493 with GKK Corporation to perform additional structural engineering analyses at the Martin Luther King, Jr./Drew Medical Center for a not to exceed fee of \$167,380, funded from the General Fund and to establish the effective date following Board approval.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the recommended action will allow GKK to perform additional structural analyses to potentially minimize service disruption in the hospital and reduce the construction cost of the State-mandated SB 1953 Seismic Retrofit Program for the Martin Luther King, Jr./Drew Medical Center.

During the schematic design phase, the project management team reviewed several potential design strategies with GKK to bring the Main Hospital Building at Martin Luther King, Jr./Drew Medical Center into structural compliance with SB 1953 and identified a solution that could potentially minimize the disruption of services at the hospital during construction and reduce construction costs. Additional structural analyses are needed to confirm the feasibility of the solution and obtain Office of Statewide Healthcare Planning and Development approval.

The recommended design solution reduces the foundation work inside the Main Hospital Building by connecting its foundation to the adjacent Medical Records Building's foundation. The Medical Records Building foundation was designed to support a five-story structure, but only one story was built. The proposed analysis will determine if it is possible to take advantage of the excess foundation capacity in the Medical Records Building to support the Main Hospital Building during an earthquake. This design alternative could significantly reduce the amount of work in the hospital basement and minimize the impact to hospital services that are sensitive to dust, noise, and vibration.

In addition, OSHPD requested additional analysis on the soil conditions at the Main Hospital Building. The recommended supplemental agreement also includes performing a computer analysis to determine the likely condition of existing structural columns that are beneath the basement and not accessible to visual inspection.

The additional structural analyses have the potential to significantly reduce construction costs. The total potential savings cannot be determined until the analyses are completed. If the conclusions are favorable, they will be incorporated into the retrofit design.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goals of Service Excellence, Fiscal Responsibility, and Children and Families' Well-Being by providing a safer public health infrastructure. The proposed seismic retrofit work will improve the performance of the hospital's acute-care buildings after an earthquake.

FISCAL IMPACT/FINANCING

Approving this action will not increase the total project cost. The recommended supplemental agreement with GKK, for a total not to exceed fee of \$167,380, can be covered by the design contingency in the current project budget. The Project Schedule and Project Budget are included in Enclosure A.

Sufficient funds are included in the Fiscal Year 2002-03 Capital Projects and Refurbishments Budget to fund the estimated design costs to be incurred this fiscal year. Project costs for Fiscal Year 2002-03 are funded from the General Fund. It is anticipated that future project costs will be funded from the General Fund and long-term bond proceeds. On December 5, 2000, your Board adopted a reimbursement resolution declaring the County's intention to finance the costs related to this project.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

A standard supplemental agreement, in the form previously approved by County Counsel, will be used. The existing architect/engineer services agreement includes the standard Board-directed clauses that provide for renegotiation and hiring of qualified displaced County employees. The agreement also includes language allowing the County to terminate the agreement, in whole or in part, if the County modifies or terminates the SB 1953 Program in response to changes in Health Services programs or in State legislation.

GKK is in full compliance with Los Angeles County Code Chapter 2.200 (Child Support Compliance Program) and Chapter 2.203 (Contractor Employee Jury Services Program).

ENVIRONMENTAL DOCUMENTATION

Awarding this supplemental agreement will have no effect on the environment. The appropriate environmental document will be prepared prior to returning to your Board to request authorization to construct the project.

CONTRACTING PROCESS

On January 29, 2002, your Board authorized Public Works to execute an A/E services agreement with GKK for a not to exceed fee of \$5,297,000 to provide design services related to the seismic strengthening of buildings and the anchoring/bracing of nonstructural equipment and components at Martin Luther King, Jr./Drew Medical Center.

Public Works executed Supplemental Agreements 1 through 3 under delegated authority. On September 9, 2002, Supplemental Agreement 1 was executed for a not to exceed fee of \$49,200 in response to a request by OSHPD to map and document cracks in the shear walls of the Main Hospital Building that resulted from the 1994 Northridge Earthquake. On October 28, 2002, Supplemental Agreement 2 was executed at no cost to extend the design period by four months to allow for additional retrofit analysis, but based on the Architect's work plan, we were able to maintain the same construction completion date. On February 5, 2003, Supplemental Agreement 3 was executed for a not to exceed amount of \$74,660 to perform a schematic-level analysis of the foundation.

We are now recommending award of Supplemental Agreement 4 for a not to exceed fee of \$167,380 for additional structural engineering analyses to be performed during the design development phase. This supplemental agreement will bring the total contract amount to \$5,588,240, which is an increase of 5.4 percent over the original contract amount. The recommended fee is considered reasonable for the work involved and is consistent with the County's standards for work of similar complexity and scope.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approving Supplemental Agreement 4 will have no impact on current services during the design phase. During the construction phase, it is anticipated that the retrofit work will disrupt services and require relocations within the hospital. Public Works and its consultants are working with Health Services to identify potential impacts and develop construction phasing plans that will minimize the impact on services during construction.

The Honorable Board of Supervisors
May 1, 2003
Page 5

CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), Health Services, and Public Works.

Respectfully submitted,

JAMES A. NOYES
Director of Public Works

DAVID E. JANSSEN
Chief Administrative Officer

THOMAS L. GARTHWAITE, M.D.
Director of Health Services

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Enc.

cc: County Counsel
Department of Public Social Services (GAIN/GROW Program)

May 1, 2002

ENCLOSURE A

**SENATE BILL 1953 - HOSPITAL SEISMIC RETROFIT PROGRAM
MARTIN LUTHER KING, JR./DREW MEDICAL CENTER
AWARD SUPPLEMENTAL AGREEMENT
CONTRACT PW-12493; C.P. 86536**

I. PROJECT SCHEDULE

Project Activity	Scheduled Completion Date	Revised Completion Date	Actual Completed Date
Project Needs Assessment	12/31/00	N/A	12/31/00
Project Feasibility	12/31/00	N/A	12/31/00
Project Program	12/31/00	N/A	12/31/00
Design			
Design Services Contract Execution	02/06/02	N/A	02/06/02
Construction Document Submittal	08/25/03	12/03/03	
Jurisdictional Approval	11/05/04	01/07/05	
Construction Bid and Award	06/14/05	07/21/05	
Construction			
Substantial Completion	08/08/07	08/08/07	
Acceptance	10/08/07	11/05/07	
Post Occupancy	N/A	N/A	N/A

II. PROJECT BUDGET

Budget Category	Current Project Budget	Revision to Budget Under Delegated Authority	Impact of this Action	Revised Project Budget
Land Acquisition	\$ 0	\$ 0	\$ 0	\$ 0
Construction				
(a) Estimated Construction Cost	\$ 42,145,000	\$ 0	\$ 0	\$ 42,145,000
(b) Change Order allowance	<u>\$ 10,536,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 10,536,000</u>
Subtotal	\$ 52,681,000	\$ 0	\$ 0	\$ 52,681,000
Equipment	\$ 0	\$ 0	\$ 0	\$ 0
Plans & Specifications				
(a) Design Services/Construction Admin.	\$ 5,297,000	\$ 123,860	\$ 167,380	\$ 5,588,240
(b) Design Contingency	<u>\$ 670,000</u>	<u>\$ (123,860)</u>	<u>\$ (167,380)</u>	<u>\$ 378,760</u>
Subtotal	\$ 5,967,000	\$ 0	\$ 0	\$ 5,967,000
Consultant Services				
(a) Project/Construction Management	\$ 4,249,000	\$ 0	\$ 0	\$ 4,249,000
(b) Additional/Optional Services	<u>\$ 1,257,000</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 1,257,000</u>
Subtotal	\$ 5,506,000	\$ 0	\$ 0	\$ 5,506,000
Jurisdictional Review, Permits, and Fees	\$ 864,000	\$ 0	\$ 0	\$ 864,000
County Services	\$ 3,100,000	\$ 0	\$ 0	\$ 3,100,000
Miscellaneous Expenditures	\$ 21,000	\$ 0	\$ 0	\$ 21,000
Total	\$ 68,139,000	\$ 0	\$ 0	\$ 68,139,000